



McKean
Paul, Chrycy
Fletcher & Co.
certified public accountants

6401 Southwest 87th Avenue
Suite 210
Miami, Florida 33173

Phone (305) 270-0680
Fax (305) 598-1011
www.mpcat.com

Independent Accountants' SBR System Audit Report

To the Management of
Americatel Corp.:

We have examined Americatel Corp.'s ("Americatel" or "Completing Carrier") compliance with the following factors set forth in the Federal Communications Commission Report and Order FCC 03-235 ("the Order") released October 3, 2003, regarding the accuracy and reliability of Americatel's call tracking system pursuant to section 64.1310(a)(1) of the Code of Federal regulations, as of July 1, 2004.

1. The Completing Carrier's procedures accurately track calls to completion.
2. The Completing Carrier, with the assistance of its clearinghouse, has a person or persons responsible for tracking, compensating, and resolving disputes concerning payphone completed calls.
3. The Completing Carrier has effective data monitoring procedures.
4. The Completing Carrier adheres to established protocols to ensure that any software, personnel or any other network changes do not adversely affect its payphone call tracking ability.
5. The Completing Carrier, with the assistance of its clearinghouse, has created a compensable payphone call file by matching detail records against payphone identifiers.
6. The Completing Carrier has procedures to incorporate call data into required reports.
7. The Completing Carrier, with the assistance of its clearinghouse, has implemented procedures and controls needed to resolve payphone compensation disputes.
8. The independent third-party auditor can test all critical controls and procedures to verify that errors are insubstantial.
9. The Completing Carrier, with the assistance of its clearinghouse, has in place adequate and effective business rules for implementing and paying payphone compensation, including rules used to: (i) identify calls originated from payphones; (ii) identify compensable payphone calls; (iii) identify incomplete or otherwise noncompensable calls; and (iv) determine the identities of the payphone service providers to which the Completing Carrier owes compensation.

Management is responsible for Americatel's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about Americatel's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Americatel's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Americatel's compliance with specified requirements.

In our opinion, Americatel complied, in all material respects, with the aforementioned requirements as of July 1, 2004.

This report is intended solely for the information and use of Americatel, Corp. and all other parties specified in the Order and is not intended to be and should not be used by anyone other than these specified parties.

McKean, Paul, Chrycy, Fletcher & Co.

June 30, 2004,
Miami, Florida.



Report of Management on Americatel Corporation's Compliance with Federal Communications Report and Order, *In the Matter of The Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, CC Docket No. 96-128, Report and Order, FCC 03-235 (released Oct 3, 2003) (hereinafter "FCC Order").

Americatel Corporation's Management has reviewed the above-referenced FCC Order and has performed an analysis and evaluation of its compliance with its requirements. Based on this evaluation, Management represents that Americatel is in compliance with the FCC Order's requirements, as noted below.

1. Americatel has implemented procedures and policies to accurately track payphone originated calls to completion.
2. Americatel has designated persons responsible for tracking, compensating and resolving disputes concerning completed payphone calls. Americatel has retained the services of Atlantax Systems, Inc. (also referred to herein as "Atlantax" or "Clearinghouse") as its clearinghouse to disburse payments on Americatel's behalf. They may be reached at 770-458-1050 ext 144.
3. Americatel has developed data monitoring procedures to track completed payphone records from call origination through the payphone compensation process.
4. Americatel has established internal protocols to ensure any software, personnel or network changes do not adversely affect Americatel's ability to track payphone call records.
5. Americatel has a system in place to create the payphone compensation file that it sends to its Clearinghouse by segregating CDRs according to payphone ANI info digits.
6. Americatel has implemented procedures to incorporate call data into the required reports through its Clearinghouse, Atlantax.
7. Americatel will use Atlantax to resolve any disputes regarding multiple ANI ownership claims. Any disputes



regarding under-compensation will be resolved internally through the person at Americatel designated to handle such disputes.

8. Americatel has retained the services of auditors, McKean, Paul, Chrycy, Fletcher & Co., Certified Public Accountants, who have concluded their audit of Americatel's compliance systems.
9. The following is a brief summary of the business rules Americatel utilizes in implementing and paying Dial Around Compensation (DAC):
 - a. Payphone originated calls are identified by the ANI info digit in all CDRs (8, 27 or 70).
 - b. Completed calls are identified by call detail record answer supervision from Americatel's switch.
 - c. Incomplete calls are identified by lack of call detail record answer supervision from Americatel's switch.
 - d. Each month a file of all payphone originated, completed calls will be sent to Atlantax Systems, Inc. Atlantax will review the file for completeness, and hold the file until the end of the quarter. Each quarter, Atlantax will process the previous three (3) months' files, identify the owners, and send to Americatel a funds request. Upon receipt of the funds request, Atlantax will wire or send checks to the appropriate Payphone Service Providers ("PSPs") with machine readable reports, detailing each ANI, the 800 number dialed, the number of calls and the amount due.

Respectfully Submitted

A handwritten signature in black ink, appearing to read 'Juan Ducaud', written over a horizontal line.

Juan Ducaud
Chief Financial Officer
Americatel Corporation

Date: July 1, 2004

Handwritten initials, possibly 'AA', in the bottom right corner of the page.